

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 807 Florida Kidcare Program

SPONSOR(S): Clarke-Reed and others

TIED BILLS: IDEN./SIM. BILLS: SB 338

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1)	Health Care Services Policy Committee	5 Y, 0 N	Schoolfield	Schoolfield
2)	Health & Family Services Policy Council	21 Y, 0 N	Lowell	Gormley
3)	Full Appropriations Council on General Government & Health Care		Pridgeon	Leznoff
4)				
5)				

SUMMARY ANALYSIS

The bill directs the Office of Program Policy Analysis and Government Accountability (OPPAGA) to perform a study of the effectiveness of the outreach efforts of the Florida Kidcare program for uninsured children. OPPAGA is directed to examine current practices of the Social Services Estimating Conference, the Department of Health, Children’s Medical Services, the Agency for Health Care Administration, the Department of Children and Families, the Department of Education and the Florida Healthy Kids Corporation related to:

- Determining expenditures,
- Coordinating with other health related programs to avoid duplication,
- Providing services to children in Florida Kidcare,
- Making information available to parents of eligible children,
- Offering services to the target population,
- Providing medical assistance, and
- Determining eligibility and increasing enrollment in Florida Kidcare program.

The bill directs OPPAGA’s report to focus on:

- Local outreach in low enrollment counties,
- Examining how counties having higher enrollment level reach target populations,
- Deficiencies in the outreach process, and
- Options and projected cost for correcting deficiencies.

OPPAGA is required to consult with the Department of Health, the Department of Children and Families and other interested entities relevant to the research required for the report. OPPAGA must submit a report to the Speaker of the House or Representatives and the President of the Senate by January 1, 2010.

The bill does not appear to have a fiscal impact on state or local governments.

The bill is effective upon becoming a law.

## HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Background**

##### Overview of Florida Kidcare

The Florida Kidcare Program was established in 1998 to reduce the number of uninsured children in Florida through a combination of Medicaid expansions and public/private partnerships. The Florida Kidcare program provides health care coverage to over 1.5 million children in Florida.<sup>1</sup> Kidcare is an "umbrella" program that includes: Medicaid (for children), the Florida Healthy Kids Program, the MediKids Program and the Children's Medical Services Network for children with special health care needs. Eligibility for the different program components is based on age, family income, and if the child has a serious health condition.

##### Kidcare Funding Sources

Medicaid is the largest source of health care support for children in Florida. The Medicaid Program is authorized by Title XIX of the Social Security Act. The State Children's Health Insurance Program (SCHIP) is the main source of non-Medicaid, Kidcare funding. The SCHIP program was established in 1997, as Title XXI of the Social Security Act, to cover children not eligible for Medicaid, whose families do not make enough money to purchase private insurance (below 200 percent of the Federal Poverty Level). SCHIP is a federal/state partnership, similar to Medicaid, except that under SCHIP, the federal government provides a capped amount of funds to states on a matching basis.<sup>2</sup> Families with incomes above 200 percent of poverty may participate in the program if they pay the full cost of their participation. The Fiscal Year 2008-09 General Appropriations Act included approximately \$472 million in funding for the Kidcare program. This figure does not include the funding for the Medicaid for children component of the program.

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<sup>1</sup> Florida Kidcare Enrollment Report, March 2009, Agency for Health Care Administration.

<sup>2</sup> Federal match rate for FFY 08-09 is 68.78%.

### Kidcare Enrollment

The overall enrollment in Kidcare has increased just over 6 percent since June 2008 when total enrollment was approximately 1.45 million children.<sup>3</sup> The enrollment in the Medicaid for children component of the program has increased over 8.9 percent during this period while the SCHIP funded portion of the program has decrease by 6.2 percent.

#### **Kidcare Enrollment March 2009<sup>5</sup>**

<i>Program Component</i>	<i>Fund Source</i>	<i>Monthly Enrollment</i>
Florida Healthy Kids	SCHIP Title XXI	196,964
Children's Medical Services Network	SCHIP Title XXI	22,397
MediKids	SCHIP Title XX	22,471
Medicaid (under age one)	SCHIP Title XX	754
Medicaid (children)	Medicaid Title XIX	1,307,890
Total Kidcare Enrollment		1,550,476 <sup>4</sup>

### Kidcare Program Administration

The Kidcare program is administered as a partnership among several state agencies and the private Florida Healthy Kids Corporation. The Agency for Health Care Administration administers the Medicaid and MediKids program components. The Department of Children and Families performs Medicaid (Title XIX) eligibility determination and administers the Behavioral Health Network, which is part of the Children's Medical Services Network for children with special healthcare needs. The Department of Health administers the Children's Medical Services (CMS) Network for children with special healthcare needs and staffs the Florida Kidcare Coordinating Council. The Florida Healthy Kids Corporation, under contract with the Agency for Health Care Administration, performs administrative functions for the overall Kidcare program and administers the Florida Healthy Kids program. The corporation conducts eligibility determinations, premium billings and collections, refunds, and customer service for Kidcare. The Medicaid component is administered by the Agency for Health Care Administration and the Department of Children and Families.

### Kidcare Outreach

The OPPAGA prepared a report on Kidcare Outreach and Organizational Placement in March 2007. Outreach was conducted by three organizations working in partnership: the Department of Health, the Florida Healthy Kids Corporation, and the Florida Covering Kids project funded by the Robert Wood Johnson Foundation from 1998 until 2003.<sup>6</sup> The Department of Health had primary state responsibility for overall outreach for all Kidcare program components until the funding was eliminated in 2003. The Florida Covering Kids project used foundation funding from 1999 until 2006 to conduct social marketing research for the Department of Health's outreach program and provided direct outreach through its five local sites and coalitions. The Florida Healthy Kids Corporation has continued to provide Kidcare outreach since 1990. Currently, the corporation is the only remaining state-level entity that provides Kidcare outreach.<sup>7</sup>

The OPPAGA report concluded that national and Florida evaluations of SCHIP outreach efforts show mixed results regarding the effect of outreach on program enrollment. A number of evaluators support the position that outreach increases enrollment while others indicate that they are unable to find a quantifiable link between outreach efforts and enrollment. In Florida, a number of stakeholders

<sup>3</sup> Florida Kidcare Enrollment Report-June 2008, Agency for Health Care Administration.

<sup>4</sup> Includes over 21,000 full pay participants in Healthy Kids and MediKids components of Kidcare.

<sup>5</sup> Florida Kidcare Enrollment Report- March 2009, Agency for Health Care Administration.

<sup>6</sup> The Foundation expanded the "Covering Kids" initiative to "Covering Kids and Families" in 2002.

<sup>7</sup> Kidcare Outreach and Organizational Placement Memorandum, Becky Vickers, March 8, 2007.

attribute the reduction in the SCHIP enrollment to the reduced outreach funding. However, other stakeholders note that the program has undergone major changes since the reduction in state outreach funding and these program changes have had a significant influence on enrollment declines. OPPAGA concluded that Kidcare enrollment trends have likely been influenced by a combination of factors, which would include reduced outreach funding as well as periods of frequent change in program enrollment requirements.<sup>8</sup>

### Social Services Estimating Conference

The Social Services Estimating Conference meets approximately 2 to 3 times each year to develop information relating to the Florida Kidcare program, including, but not limited to, outreach impacts, enrollment, caseload, utilization, and expenditure information that the conference determines is needed to plan for and project future budgets and the drawdown of federal matching funds.<sup>9</sup>

### **Effect of Proposed Changes**

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### **B. SECTION DIRECTORY:**

Section 1: Creates, in an unspecified section of statute, a requirement for an OPPAGA study of the outreach efforts of the Florida Kidcare program.

Section 2: Provides that the act shall take effect upon becoming law.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

#### 1. Revenues:

None

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<sup>8</sup> *Id.*

<sup>9</sup> s. 216.136(6), F.S.

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

None

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

None

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

### IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES